



The birth of independence

In 1761 the Seven Year's War was coming to a close. Fighting between the French and British in North America was now over. Colonial merchants had fared well from trading molasses, rum, slaves and European goods. The British viewed this prosperity as ill deserved. From their perspective the Colonists had traded with the enemy and smuggled goods ashore without paying customs duties.

The government planned to rectify this situation by inacting *writs of assistance* that is, blank search warrants that allowed officials to search for and confiscate smuggled goods at any time and in any place.

Boston merchants challenged the legality of the writs of assistance and claimed government should issue a separate search warrant each time a place was to be searched.

At the State House James Otis declared, "This writ is against the fundamental principles of English law...A man is as secure in his house as a prince in his castle." Although the merchants lost the case, it raised a more fundamental issue --- the right to liberty. Fifteen years later independence was declared.

Among those who observed the trial was John Adams, who, age 25 was just beginning his law career. Recalling the event 50 years later he said, "Here this day, in the old Council Chamber, the child of Independence was born."

Mural of Otis orating against the Writs of Assistance.

One of a group of five murals at the Massachusetts State House by Robert Reid

Courtesy of the Massachusetts Arts Commission

COMMONWEALTH OF MASSACHUSETTS
COMBINED BALANCE SHEET - ALL FUND TYPES, ACCOUNT GROUPS AND
DISCRETELY PRESENTED COMPONENT UNITS
JUNE 30, 1995
(Amounts in thousands)

	Primary			
	Governmental Fund Types			Proprietary Fund Types
	General	Special Revenue	Capital Projects	Internal Service
ASSETS AND OTHER DEBITS				
Cash and short-term investments	\$ 158,495	\$ 680,427	\$ 0	\$ 0
Cash with fiscal agent	714	15,722		
Deposits				
Investments				
Restricted investments				162,391
Investments of deferred compensation plan				
Annuity contracts				
Assets held in trust				18,620
Receivables, net of allowance for uncollectibles:				
Taxes	672,993	478,497		
Due from federal government	494,433	149,944	121,584	
Loans				
Other receivables	187,624	104,271	871	
Due from cities and towns	215,242	626		
Due from primary government				
Due from other funds	246,202		22,975	28,367
Inventory				
Fixed assets				
Other assets				
Amounts available for retirement of general long-term obligations				
Amounts to be provided for retirement of general long-term obligations				
Total assets and other debits	\$ 1,975,703	\$ 1,429,487	\$ 145,430	\$ 209,378
LIABILITIES, FUND EQUITY AND OTHER CREDITS				
Liabilities:				
Accounts payable	\$ 1,012,372	\$ 285,755	\$ 291,873	\$ 0
Accrued payroll	34,260	9,094	1,271	
Compensated absences	92,587	56,213	4,047	
Tax refunds and abatements payable	342,310	227,767		
Due to cities and towns				
Due to other funds		14,468	245,437	
Due to component units	81,835	278,384	6,558	
Due to federal government	32,778	373	233	
Deferred revenue	100,414	83,637	596	
Prizes payable				
Deferred compensation benefits payable				
Agency liabilities				
Claims and judgments	64,400			432,797
Deposits and unearned revenue				
Other accrued liabilities		60,195		
Capital leases				
Bonds, notes payable and certificates of participation	240,000			
School construction grants				
Unfunded pension costs				
Total liabilities	2,000,956	1,015,886	550,015	432,797
Fund equity and other credits:				
Investment in general fixed assets				
Contributed capital				
Retained earnings:				
Reserved for investment programs				
Reserved for bond retirement				
Reserved for central artery workers compensation				97,391
Unreserved				(320,810)
Fund balances (deficit):				
Reserved for pension benefits				
Reserved for unemployment benefits				
Reserved for claims and judgments				
Restricted				
Unexpended plant funds				
Renewals and replacements				
Retirement of indebtedness		15,722		
Net investment in plant				
Reserved for nonexpendable trusts				
Unreserved and undesignated	(25,253)	397,879	(404,585)	
Total fund equity (deficit) and other credits	(25,253)	413,601	(404,585)	(223,419)
Total liabilities, fund equity and other credits	\$ 1,975,703	\$ 1,429,487	\$ 145,430	\$ 209,378

See notes to general purpose financial statements.

Government						Component Units
Fiduciary Fund Types	University and College Fund Type	Account Groups		Totals (Memorandum Only)		Component Units
Trust and Agency	University and Colleges	General Fixed Assets	General Long-term Obligations	1995	1994	
\$ 1,633,378	\$ 131,323	\$ 0	\$ 0	\$ 2,603,623	\$ 2,897,736	\$ 352,962
	72,764			89,200	60,382	
385,605				385,605	33,001	
13,506,730	270,834			13,777,564	11,868,503	262,454
				162,391	83,319	29,433
1,215,348				1,215,348	945,401	
1,097,652				1,097,652	1,045,084	
1,672,864				1,691,484	1,550,917	1,003
311,957				1,463,447	1,364,939	
2,261	9,024			777,246	890,626	64,439
7,794	47,537			55,331	51,891	678,396
267,825	116,048			676,639	724,770	47,782
				215,868	214,508	422
						366,777
	34,401			331,945	211,447	
	15,038			15,038	13,572	38,856
	2,078,430	3,202,528		5,280,958	5,124,757	5,162,778
	24,069			24,069	9,921	119,797
					87,647	
			14,885,385	14,885,385	14,558,611	
<u>\$ 20,101,414</u>	<u>\$ 2,799,468</u>	<u>\$ 3,202,528</u>	<u>\$ 14,885,385</u>	<u>\$ 44,748,793</u>	<u>\$ 41,737,032</u>	<u>\$ 7,125,099</u>
\$ 244,115	\$ 55,365	\$ 0	\$ 0	\$ 1,889,480	\$ 2,463,364	\$ 66,993
220	53,510			98,355	137,355	41,610
225	85,037		91,311	329,420	320,264	713
6,391				576,468	561,276	
14,292				14,292	11,937	851
2,830	69,210			331,945	211,447	
				366,777	445,171	
				33,384	32,880	2,507
30,958	7,535			223,140	203,034	46,472
1,097,652				1,097,652	1,045,084	
1,215,348				1,215,348	945,401	
3,201,561				3,201,561	3,017,475	1,003
	40,815		62,346	600,358	668,109	2,215
	10,515			10,515	6,997	
18,379	71,625			150,199	149,915	271,677
	19,422			71,679	70,512	193
	295,250		52,257	9,628,466	9,977,740	3,511,769
			2,616,029	2,616,029	2,070,709	
			2,434,976	2,434,976	2,579,432	
<u>5,831,971</u>	<u>708,284</u>		<u>14,885,385</u>	<u>25,425,294</u>	<u>24,918,102</u>	<u>3,946,003</u>
		3,202,528		3,202,528	3,066,682	3,250,396
						62,792
						58
				97,391		
				(320,810)		(134,150)
13,483,238				13,483,238	11,563,156	
649,115				649,115	296,676	
					83,319	
	104,300			104,300	102,153	
	25,120			25,120	25,779	
	25,298			25,298	15,677	
	16,915			32,637	25,856	
	1,803,550			1,803,550	1,779,441	
5,837				5,837	5,840	
131,253	116,001			215,295	(145,649)	
<u>14,269,443</u>	<u>2,091,184</u>	<u>3,202,528</u>		<u>19,323,499</u>	<u>16,818,930</u>	<u>3,179,096</u>
<u>\$ 20,101,414</u>	<u>\$ 2,799,468</u>	<u>\$ 3,202,528</u>	<u>\$ 14,885,385</u>	<u>\$ 44,748,793</u>	<u>\$ 41,737,032</u>	<u>\$ 7,125,099</u>

COMMONWEALTH OF MASSACHUSETTS
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS

FISCAL YEAR ENDED JUNE 30, 1995

(Amounts in thousands)

	Primary		
	Governmental Fund Types		
	General	Special Revenue	Capital Projects
Revenues:			
Taxes	\$ 6,923,009	\$ 4,338,977	\$ 0
Assessments	202,831	369,577	
Federal grants and reimbursements	2,841,932	1,246,316	950,287
Departmental	586,838	3,686,918	
Miscellaneous	101,154	44,561	76
Total revenues	10,655,764	9,686,349	950,363
Other financing sources:			
Proceeds of general obligation bonds			809,862
Proceeds of refunding bonds			513,622
Proceeds of capital leases	17,869		
Operating transfers in	407,861	965,211	160,442
Other			49,062
Total other financing sources	425,730	965,211	1,532,988
Total revenues and other financing sources	11,081,494	10,651,560	2,483,351
Expenditures:			
Current:			
Legislature	46,550		
Judiciary	35,550	320,120	
Inspector General	1,434	209	
Governor and Lieutenant Governor	4,747		
Secretary of the Commonwealth	9,479	4,400	
Treasurer and Receiver-General	91,589	2,261,757	
Auditor of the Commonwealth	10,453	754	
Attorney General	19,339	3,036	
Ethics Commission	540	550	
District Attorney		51,030	
Office of Campaign and Political Finance	319	372	
Disabled Persons Protection Commission	1,330		
Board of Library Commissioners		4,752	
Comptroller	6,121	15	
Administration and finance	712,896	162,635	
Environmental affairs	23,594	150,666	
Communities and development	99,656	240,578	
Health and human services	3,426,485	1,064,041	
Transportation and construction	17,114	94,417	
Education	527	486,359	
Educational affairs	2,058	4,374	
Higher education	70,697	4,087	
Public safety	337,628	394,545	
Economic affairs	12,524	186,932	
Elder affairs	126,483	34,960	
Consumer affairs	28,421	6,015	
Labor	21,102	2,646	
Medicaid	3,212,620	39,600	
Pension	247,140	642,165	
Direct local aid		2,976,239	
Capital outlay:			
Local aid			94,301
Capital acquisition and construction			1,697,781
Debt service:			
Principal retirement	543,957	151,384	
Interest and fiscal charges	338,478	199,885	
Total expenditures	9,448,831	9,488,523	1,792,082
Other financing uses:			
Payments to refunded bond escrow agent			513,622
Operating transfers out	7,518	1,205,220	179,677
Transfers of appropriations	650,151	2,175	
Transfers of bond proceeds			22,938
Transfers to component units	155,002	499,719	9,049
Total other financing uses	812,671	1,707,114	725,286
Total expenditures and other financing uses	10,261,502	11,195,637	2,517,368
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	819,992	(544,077)	(34,017)
Fund balance (deficits) at beginning of year	(923,682)	940,961	(290,963)
Equity transfer	78,437	16,717	(79,605)
Fund balance (deficits) at end of year	\$ (25,253)	\$ 413,601	\$ (404,585)

See notes to general purpose financial statements.

Government		
Fiduciary Fund Type	Totals (Memorandum Only)	
Expendable Trust	1995	1994
\$ 1,146,922	\$ 12,408,908	\$ 11,736,910
2,354	574,762	545,716
29,328	5,067,863	5,366,660
5,693	4,279,449	3,748,062
150,791	296,582	314,931
1,335,088	22,627,564	21,712,279
	809,862	690,206
	513,622	835,796
	17,869	33,550
5,745	1,539,259	1,372,691
1,503	50,565	35,509
7,248	2,931,177	2,967,752
1,342,336	25,558,741	24,680,031
	46,550	43,096
295	355,965	342,170
	1,643	1,394
	4,747	4,330
118	13,997	11,683
2,532	2,355,878	2,052,420
451	11,658	11,153
808	23,183	39,291
	1,090	1,075
2,925	53,955	50,948
254	945	636
	1,330	1,514
1	4,753	5,411
	6,136	6,369
2,582	878,113	864,744
5,042	179,302	173,998
2,674	342,908	358,178
16,721	4,507,247	4,345,773
626	112,157	120,981
1,423	488,309	459,175
	6,432	3,111
159	74,943	67,379
3,165	735,338	699,152
831,432	1,030,888	1,295,671
59	161,502	155,486
6,667	41,103	35,885
33,073	56,821	51,355
	3,252,220	3,216,127
	889,305	830,192
	2,976,239	2,727,313
	94,301	100,105
	1,697,781	1,463,602
	695,341	631,294
	538,363	519,865
911,007	21,640,443	20,690,876
	513,622	835,796
73,128	1,465,543	1,303,847
	652,326	634,911
	22,938	15,324
	663,770	701,399
73,128	3,318,199	3,491,277
984,135	24,958,642	24,182,153
358,201	600,099	497,878
422,000	148,316	(349,562)
167	15,716	
\$ 780,368	\$ 764,131	\$ 148,316

COMMONWEALTH OF MASSACHUSETTS
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - STATUTORY BASIS - BUDGET AND ACTUAL -
GENERAL AND BUDGETED SPECIAL REVENUE FUNDS
FISCAL YEAR ENDED JUNE 30, 1995
(Amounts in thousands)

	General Fund		
	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:			
Taxes	\$ 6,591,100	\$ 6,603,842	\$ 12,742
Assessments		200,992	200,992
Federal grants and reimbursements	2,936,700	2,961,719	25,019
Departmental	716,000	651,662	(64,338)
Miscellaneous		94,051	94,051
Total revenues	10,243,800	10,512,266	268,466
Other financing sources:			
Fringe benefit cost recovery		204,084	204,084
Operating transfers in	252,700	368,884	116,184
Stabilization transfer			
Total other financing sources	252,700	572,968	320,268
Total revenues and other financing sources	10,496,500	11,085,234	588,734
Expenditures:			
Legislature	65,585	46,522	19,063
Judiciary	35,551	35,213	338
Inspector General	1,448	1,397	51
Governor and Lieutenant Governor	5,446	4,753	693
Secretary of the Commonwealth	9,364	9,178	186
Treasurer and Receiver-General	94,784	93,755	1,029
Auditor of the Commonwealth	10,808	10,805	3
Attorney General	20,330	20,232	98
Ethics Commission	541	541	
District Attorney	100	82	18
Office of Campaign and Political Finance	321	321	
Disabled Persons Protection Committee	1,335	1,330	5
Board of Library Commissioners			
Comptroller	5,582	5,573	9
Administration and finance	816,657	732,996	83,661
Environmental affairs	22,851	21,978	873
Communities and development	117,821	108,750	9,071
Health and human services	3,524,047	3,422,484	101,563
Transportation and construction	536,189	528,375	7,814
Education	101	98	3
Educational affairs	2,115	2,068	47
Higher education	705,250	700,915	4,335
Public safety	325,975	324,013	1,962
Economic affairs	18,612	17,274	1,338
Elder affairs	129,358	126,370	2,988
Consumer affairs	29,676	28,265	1,411
Labor	23,452	22,123	1,329
Medicaid	3,375,649	3,358,620	17,029
Pension	339,289	326,630	12,659
Direct local aid			
Debt service:			
Principal retirement	335,700	323,127	12,573
Interest and fiscal charges	319,303	288,006	31,297
Total expenditures	10,873,240	10,561,794	311,446
Other financing uses:			
Fringe benefit cost assessment		44,030	(6,680)
Operating transfers out	37,350	16,758	(16,758)
Stabilization transfer			
Total other financing uses	37,350	60,788	(23,438)
Total expenditures and other financing uses	10,910,590	10,622,582	288,008
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(414,090)	462,652	876,742
Fund balances (deficits) at beginning of year	(631,903)	(631,903)	
Fund balances (deficits) at end of year	\$ (1,045,993)	\$ (169,251)	\$ 876,742

See notes to general purpose financial statements.

Budgeted Special Revenue Funds			Totals (Memorandum Only)		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$ 4,710,000	\$ 4,559,526	\$ (150,474)	\$ 11,301,100	\$ 11,163,368	\$ (137,732)
	28,101	28,101		229,093	229,093
12,400	8,003	(4,397)	2,949,100	2,969,722	20,622
456,903	475,171	18,268	1,172,903	1,126,833	(46,070)
	54,973	54,973		149,024	149,024
5,179,303	5,125,774	(53,529)	15,423,103	15,638,040	214,937
	2,851	2,851		206,935	206,935
629,500	689,053	59,553	882,200	1,057,937	175,737
	27,930	27,930		27,930	27,930
629,500	719,834	90,334	882,200	1,292,802	410,602
5,808,803	5,845,608	36,805	16,305,303	16,930,842	625,539
319,298	316,227	3,071	65,585	46,522	19,063
			354,849	351,440	3,409
			1,448	1,397	51
			5,446	4,753	693
3,881	3,797	84	13,245	12,975	270
7,113	6,316	797	101,897	100,071	1,826
754	754		11,562	11,559	3
927	915	12	21,257	21,147	110
551	551		1,092	1,092	
50,043	49,582	461	50,143	49,664	479
328	327	1	649	648	1
			1,335	1,330	5
2,339	2,335	4	2,339	2,335	4
525	525		6,107	6,098	9
199,395	183,666	15,729	1,016,052	916,662	99,390
140,970	132,307	8,663	163,821	154,285	9,536
28,068	26,844	1,224	145,889	135,594	10,295
134,872	118,855	16,017	3,658,919	3,541,339	117,580
240,133	226,918	13,215	776,322	755,293	21,029
125,560	121,679	3,881	125,661	121,777	3,884
3,510	3,391	119	5,625	5,459	166
2,536	2,386	150	707,786	703,301	4,485
382,094	377,065	5,029	708,069	701,078	6,991
16,012	14,095	1,917	34,624	31,369	3,255
9,369	9,343	26	138,727	135,713	3,014
5,218	4,476	742	34,894	32,741	2,153
			23,452	22,123	1,329
39,600	39,600		3,415,249	3,398,220	17,029
665,159	642,162	22,997	1,004,448	968,792	35,656
2,985,744	2,976,240	9,504	2,985,744	2,976,240	9,504
379,374	370,390	8,984	715,074	693,517	21,557
254,464	249,505	4,959	573,767	537,511	36,256
5,997,837	5,880,251	117,586	16,871,077	16,442,045	429,032
	54,769	(54,769)		54,769	(54,769)
220,927	225,380	(4,453)	258,277	269,410	(11,133)
	11,172	(11,172)		27,930	(27,930)
220,927	291,321	(70,394)	258,277	352,109	(93,832)
6,218,764	6,171,572	47,192	17,129,354	16,794,154	335,200
(409,961)	(325,964)	83,997	(824,051)	136,688	960,739
1,221,237	1,221,237		589,334	589,334	
\$ 811,276	\$ 895,273	\$ 83,997	\$ (234,717)	\$ 726,022	\$ 960,739

**COMMONWEALTH OF MASSACHUSETTS
COMBINED STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND EQUITY - INTERNAL SERVICE FUNDS,
NONEXPENDABLE AND PENSION TRUST FUNDS AND DISCRETELY PRESENTED COMPONENT
FISCAL YEAR ENDED JUNE 30, 1995
(Amounts in thousands)**

	Primary		
	Proprietary Fund Types	Fiduciary Fund Types	
	Internal Service Fund	Nonexpendable Trust Funds	Pension Trust Funds
Operating revenues:			
Commonwealth contributions	\$ 0	\$ 0	\$ 784,740
Employee contributions			401,492
Investment income			1,715,844
Charges for services			
Donations			
Premiums	756,841		
Total operating revenues	756,841		2,902,076
Operating expenses:			
Claims and judgments expense	628,909		
Cost of services and administration			2,824
Retirement benefits and refunds			979,170
Depreciation			
Total operating expenses	628,909		981,994
Operating income (loss)	127,932		1,920,082
Nonoperating revenues (expenses):			
Operating grants			
Interest income	5,985		
Interest expense			
Other income			
Other expenses			
Nonoperating revenues (expenses), net	5,985		
Income (loss) before operating transfers	133,917		1,920,082
Transfers:			
Transfers in from primary government			
Operating transfers out		(3)	
Total transfers		(3)	
Net income (loss)	133,917	(3)	1,920,082
Add: Depreciation of fixed assets acquired from contributed capital			
Increase (decrease) in retained earnings/fund balances	133,917	(3)	1,920,082
Retained earnings/fund balances at beginning of year	0	5,840	11,563,156
Equity transfer	(15,716)		
Balance from general long-term obligations account group	(341,620)		
Retained earnings/fund balances at end of year	\$ (223,419)	\$ 5,837	\$ 13,483,238
Contributed capital at beginning of year			
Add: Capital contributions			
Less: Depreciation of fixed assets acquired from contributed capital			
Contributed capital at end of year			

See notes to the general purpose financial statements.

UNIT\$

Government Totals (Memorandum Only)		Component Units
1995	1994	Component Units
\$ 784,740	\$ 743,880	\$ 0
401,492	386,988	
1,715,844	245,446	
		265,955
		895
756,841		2,419
3,658,917	1,376,314	269,269
628,909		
2,824	3,677	782,005
979,170	930,630	
		202,928
1,610,903	934,307	984,933
2,048,014	442,007	(715,664)
		74,303
5,985		39,971
		(159,985)
		5,677
		(23,633)
5,985		(63,667)
2,053,999	442,007	(779,331)
		663,770
(3)	(2)	
(3)	(2)	663,770
2,053,996	442,005	(115,561)
		97,349
2,053,996	442,005	(18,212)
11,568,996	11,126,991	(53,088)
(15,716)		
(341,620)		
\$ 13,265,656	\$ 11,568,996	\$ (71,300)
		\$ 3,050,729
		297,016
		(97,349)
		\$ 3,250,396

COMMONWEALTH OF MASSACHUSETTS
COMBINED STATEMENT OF CASH FLOWS - INTERNAL SERVICE FUNDS,
NONEXPENDABLE TRUST FUNDS AND DISCRETELY PRESENTED COMPONENT UNITS
FISCAL YEAR ENDED JUNE 30, 1995
(Amounts in thousands)

	Primary Government			Component Units
	Proprietary Fund Type	Fiduciary Fund Type		
	Internal Service Fund	Nonexpendable Trust Funds	Total (Memorandum Only)	Component Units
Cash flows from operating activities:				
Operating income (loss)	\$ 127,932	\$ 0	\$ 127,932	\$ (715,664)
Adjustments to reconcile operating loss to net cash provided by (used for) operating activities:				
Depreciation				202,928
Other nonoperating revenues				5,677
Other nonoperating expenses				(23,633)
Change in assets and liabilities:				
Assets held in trust	(4,469)		(4,469)	
Due from federal government				41,149
Loans				(141,128)
Other receivables				(5,913)
Due from cities and towns				(46)
Due from primary government				71,940
Due from other funds	3,343		3,343	6,454
Inventory				562
Restricted and other assets				19,281
Accounts payable				(22,264)
Accrued payroll				(1,134)
Compensated absences				417
Deferred revenue				(9,479)
Claims and judgments, net	29,600		29,600	991
Other accrued liabilities				76,660
Due to cities and towns				376
Due to federal government				1,462
Total adjustments	28,474		28,474	224,300
Net cash provided by (used for) operating activities	156,406		156,406	(491,364)
Cash flows from noncapital financing activities:				
Operating grants				74,303
Operating transfers		(3)	(3)	663,770
Net cash provided by (used for) noncapital financing activities		(3)	(3)	738,073
Cash flows from capital and related financing activities:				
Acquisition and construction of capital assets				(541,385)
Proceeds from the issuance of bonds and notes				855,222
Interest on bonds and notes				(159,985)
Capital contributions				297,016
Principal payments on bonds and notes				(598,739)
Proceeds from sale of equipment				122
Net cash provided by (used for) capital and related financing activities				(147,749)
Cash flows from investing activities:				
Purchases of investments				(1,543,940)
Purchases of restricted investments	(162,391)		(162,391)	
Sales and maturities of investments				1,485,263
Interest income	5,985		5,985	39,971
Net cash provided by (used for) investing activities	(156,406)		(156,406)	(18,706)

	Primary Government			Component Units
	Proprietary Fund Type	Fiduciary Fund Type		
	Internal Service Fund	Nonexpendable Trust Funds	Total (Memorandum Only)	Component Units
Net increase (decrease) in cash and cash equivalents	0	(3)	(3)	80,254
Cash and cash equivalents at beginning of year	0	5,840	5,840	272,708
Cash and cash equivalents at end of year	\$ 0	\$ 5,837	\$ 5,837	\$ 352,962
Reconciliation to Combined Balance Sheet:				
Cash and cash equivalents at end of year	\$ 0	\$ 5,837	\$ 5,837	\$ 352,962
Cash and cash equivalents at end of year, Pension Trust, Expendable Trust and Agency		1,627,541	1,627,541	
Cash and cash equivalents per the Combined Balance Sheet	\$ 0	\$ 1,633,378	\$ 1,633,378	\$ 352,962
Noncash investing, capital and noncapital, and financing activities:				
Beginning of year liability and equity transfer from the governmental funds and the expendable trust fund.	\$ (15,716)			
Transfer of beginning of year liability from the general long-term obligation account group.	\$ (341,620)			

See notes to the general purpose financial statements.

COMMONWEALTH OF MASSACHUSETTS
COMBINED STATEMENT OF CHANGES IN FUND BALANCES -
UNIVERSITY AND COLLEGE FUND TYPE
FISCAL YEAR ENDED JUNE 30, 1995
(Amounts in thousands)

	Current Funds	
	Unrestricted	Restricted
Revenues and other additions:		
Unrestricted current funds revenues	\$ 1,170,505	\$ 0
Federal appropriations		6,749
Federal grants and contracts		185,746
State grants and contracts		13,794
Local grants and contracts		3,941
Private gifts, grants and contracts		51,714
Investment income		52
Endowment income		540
Net realized gain on investments		
Interest on loans receivable		
Reimbursed loan cancellations		
Other income		395
Expended for plant facilities		
Retirement of indebtedness		
Other additions		533
Total revenue and other additions	1,170,505	263,464
Expenditures and other deductions:		
Educational and general expenditures	1,140,678	284,541
Auxiliary enterprises expenditures	165,251	
Indirect costs recovered		32,372
Clinical services costs	336,518	
Refunded to grantors and donors		227
Loan cancellations and write-offs		
Administrative and collection costs		
Retirement of indebtedness		
Interest on indebtedness		
Expended for plant facilities		
Depreciation and amortization		
Disposal of plant facilities		
Other deductions		
Total expenditures and other deductions	1,642,447	317,140
Mandatory transfers:		
Principal and interest	(27,108)	
Renewals and replacements	(439)	
Student loan fund matching	(50)	(86)
Other mandatory transfers	(73,716)	
Nonmandatory transfers:		
Transfers of appropriation	622,948	29,378
Transfers of bond proceeds		22,938
Unexpended plant funds	(6,538)	
Renewals and replacements	(14,011)	
Other nonmandatory transfers	(3,195)	201
Total transfers	497,891	52,431
Net increase (decrease) for the year	25,949	(1,245)
Fund balances at the beginning of year	55,925	33,217
Fund balances at end of year	\$ 81,874	\$ 31,972

See notes to general purpose financial statements.

Loan Fund	Endowment and Similar Funds	Plant Funds	Totals	
			1995	1994
\$ 0	\$ 0	\$ 0	\$ 1,170,505	\$ 1,083,311
			6,749	7,754
2,408		329	188,483	178,083
146		15,159	29,099	36,907
			3,941	2,278
9	1,106	2,971	55,800	66,988
	62	3,112	3,226	2,644
	185		725	612
	614		614	2,754
885			885	814
13			13	1,348
178		1,364	1,937	962
		49,860	49,860	50,042
		13,954	13,954	13,330
7		10,406	10,946	1,664
3,646	1,967	97,155	1,536,737	1,449,491
			1,425,219	1,382,193
			165,251	171,118
			32,372	32,055
			336,518	336,406
			227	313
300			300	700
1,250	415	2,484	4,149	4,815
		18,547	18,547	23,171
		17,802	17,802	11,609
		24,742	24,742	13,330
		12,198	12,198	20,003
		23,443	23,443	10,140
		21,269	21,269	556
1,550	415	120,485	2,082,037	2,006,409
		27,108		
		439		
136			(73,716)	(68,842)
			652,326	634,911
			22,938	15,324
		6,538		
		14,011		
(69)	(629)	3,692		
67	(629)	51,788	601,548	581,393
2,163	923	28,458	56,248	24,475
48,683	54,686	1,842,425	2,034,936	2,010,461
\$ 50,846	\$ 55,609	\$ 1,870,883	\$ 2,091,184	\$ 2,034,936

COMMONWEALTH OF MASSACHUSETTS
COMBINED STATEMENT OF CURRENT FUNDS REVENUES, EXPENDITURES, AND OTHER CHANGES -
UNIVERSITY AND COLLEGE FUND TYPE
FISCAL YEAR ENDED JUNE 30, 1995
(Amounts in thousands)

	Current Funds		Totals	
	Unrestricted	Restricted	1995	1994
Revenues and other additions:				
Tuition and fees	\$ 530,240	\$ 0	\$ 530,240	\$ 489,110
Federal appropriations		6,521	6,521	7,411
Federal grants and contracts		164,906	164,906	138,967
State grants and contracts		11,624	11,624	20,604
Local grants and contracts	48	3,392	3,440	2,011
Private gifts, grants and contracts	3,082	44,377	47,459	54,225
Endowment income	350	882	1,232	822
Sales and service, educational	12,261		12,261	9,351
Sales and service, auxiliary enterprises	194,495		194,495	176,536
Sales and service, clinical services	357,994		357,994	340,495
Recovery of indirect costs	32,372		32,372	32,055
Other investment income	21,650	23	21,673	14,493
Other	18,013	501	18,514	17,709
Total current funds revenues	1,170,505	232,226	1,402,731	1,303,789
Expenditures:				
Instruction	503,005	33,993	536,998	569,330
Research	43,463	86,131	129,594	122,453
Public service	13,968	33,523	47,491	68,667
Academic support	111,444	39,089	150,533	121,559
Student services	106,626	6,204	112,830	76,926
Institutional support	188,768	4,485	193,253	169,852
Operation and maintenance of plant	130,141	3,118	133,259	137,774
Scholarships and fellowships	43,263	77,998	121,261	115,632
Auxiliary enterprises	165,251		165,251	171,118
Clinical services costs	336,518		336,518	336,406
Total current funds expenditures	1,642,447	284,541	1,926,988	1,889,717
Transfers and other changes:				
Mandatory transfers:				
Principal and interest	(27,108)		(27,108)	(27,506)
Renewals and replacements	(439)		(439)	(517)
Student loan fund matching	(50)	(86)	(136)	(115)
Other	(73,716)		(73,716)	(68,822)
Transfers of appropriation	622,948	29,378	652,326	634,621
Transfers of bond proceeds		22,938	22,938	14,723
Unexpended plant funds	(6,538)		(6,538)	(11,324)
Renewals and replacements	(14,011)		(14,011)	(14,499)
Other nonmandatory transfers	(3,195)	201	(2,994)	(17,588)
Refunds to grantors and donors		(227)	(227)	(313)
Excess (deficiency) of restricted receipts over transfers to revenue		(1,134)	(1,134)	21,652
Total transfers and other changes	497,891	51,070	548,961	530,312
Total increase (decrease) in fund balances	\$ 25,949	\$ (1,245)	\$ 24,704	\$ (55,616)

See notes to general purpose financial statements.

COMMONWEALTH OF MASSACHUSETTS
COMBINING BALANCE SHEET -
DISCRETELY PRESENTED COMPONENT UNITS
JUNE 30, 1995
(Amounts in thousands)

	Massachusetts Bay Transportation Authority	Regional Transit Authorities
<u>ASSETS</u>		
Cash and short-term investments	\$ 84,026	\$ 14,283
Investments		65
Restricted investments	16,923	
Assets held in trust		
Receivables, net of allowance for uncollectibles:		
Due from federal government	6,600	4,315
Loans		
Other receivables	29,591	5,030
Due from cities and towns		
Due from primary government	289,151	53,338
Inventory	38,585	202
Fixed assets	4,830,095	95,355
Other assets	90,741	14,167
Total assets	\$ 5,385,712	\$ 186,755
<u>LIABILITIES AND FUND EQUITY</u>		
Liabilities:		
Accounts payable	\$ 40,116	\$ 5,720
Accrued payroll	40,898	125
Compensated absences		527
Due to cities and towns		
Due to federal government		
Deferred revenue	42,694	473
Agency liabilities		
Claims and judgments		2,215
Other accrued liabilities	146,432	3,395
Capital leases		
Bonds, notes payable and certificates of participation	2,774,618	78,282
Total liabilities	3,044,758	90,737
Fund equity:		
Contributed capital	2,552,988	93,916
Retained earnings (deficits):		
Reserved for investment programs		
Reserved for bond retirement		
Unreserved	(212,034)	2,102
Total fund equity	2,340,954	96,018
Total liabilities and fund equity	\$ 5,385,712	\$ 186,755

See notes to general purpose financial statements.

Water Pollution Abatement Trust	Massachusetts Convention Center Authority	Economic Development Authorities	Totals	
			1995	1994
\$ 196,453	\$ 8,528	\$ 49,672	\$ 352,962	\$ 272,708
192,928		69,461	262,454	173,830
	12,510		29,433	59,380
	1,003		1,003	
33,287		20,237	64,439	105,588
573,860		104,536	678,396	537,268
9,842	417	2,902	47,782	41,869
		422	422	376
6,526	13,517	4,245	366,777	445,171
		69	38,856	39,418
352	215,671	21,305	5,162,778	4,823,218
248	2,265	12,376	119,797	139,078
\$ 1,013,496	\$ 253,911	\$ 285,225	\$ 7,125,099	\$ 6,637,904
\$	\$ 9,490	\$ 11,667	\$ 66,993	\$ 89,257
		587	41,610	42,744
		186	713	296
		851	851	475
		2,507	2,507	1,045
	297	3,008	46,472	55,351
	1,003		1,003	
			2,215	1,224
95,948	15,905	9,997	271,677	195,172
		193	193	38
444,335	173,042	41,492	3,511,769	3,254,661
540,283	199,737	70,488	3,946,003	3,640,263
455,777	56,445	91,270	3,250,396	3,050,729
		62,792	62,792	51,847
		58	58	
17,436	(2,271)	60,617	(134,150)	(104,935)
473,213	54,174	214,737	3,179,096	2,997,641
\$ 1,013,496	\$ 253,911	\$ 285,225	\$ 7,125,099	\$ 6,637,904

COMMONWEALTH OF MASSACHUSETTS
COMBINING STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN
RETAINED EARNINGS AND CHANGES IN CONTRIBUTED CAPITAL -
DISCRETELY PRESENTED COMPONENT UNITS
FISCAL YEAR ENDED JUNE 30, 1995
(Amounts in thousands)

	Massachusetts Bay Transportation Authority	Regional Transit Authorities
Operating revenues:		
Charges for services	\$ 207,224	\$ 40,031
Donations		
Other		243
Total operating revenues	207,224	40,274
Operating expenses:		
Cost of services and administration	587,299	99,330
Depreciation	181,692	12,640
Total operating expenses	768,991	111,970
Operating income (loss)	(561,767)	(71,696)
Nonoperating revenues (expenses):		
Operating grants	15,216	11,236
Interest income	3,534	953
Other revenues	2,097	299
Interest expense	(122,268)	(2,593)
Other expenses	(19,322)	(261)
Nonoperating revenues (expenses), net	(120,743)	9,634
Income (loss) before transfers	(682,510)	(62,062)
Transfers:		
Transfers in from primary government	557,437	50,193
Total transfers	557,437	50,193
Net income (loss)	(125,073)	(11,869)
Add: Depreciation of fixed assets acquired from contributed capital	78,818	12,353
Increase (decrease) in retained earnings	(46,255)	484
Retained earnings (deficits) at beginning of year	(165,779)	1,618
Retained earnings (deficits) at end of year	\$ (212,034)	\$ 2,102
Contributed capital at beginning of year	\$ 2,433,829	\$ 92,681
Add: Capital contributions	197,977	13,588
Less: Depreciation of fixed assets acquired from contributed capital	(78,818)	(12,353)
Contributed capital at end of year	\$ 2,552,988	\$ 93,916

See notes to general purpose financial statements.

Water Pollution Abatement Trust	Massachusetts Convention Center Authority	Economic Development Authorities	Totals	
			1995	1994
\$ 0	\$ 8,403	\$ 10,297	\$ 265,955	\$ 245,690
		895	895	670
		2,176	2,419	1,989
	8,403	13,368	269,269	248,349
6,098	15,239	74,039	782,005	789,561
229	6,451	1,916	202,928	177,095
6,327	21,690	75,955	984,933	966,656
(6,327)	(13,287)	(62,587)	(715,664)	(718,307)
2,165		45,686	74,303	59,998
29,583	216	5,685	39,971	29,780
818	131	2,332	5,677	4,786
(19,614)	(10,772)	(4,738)	(159,985)	(144,854)
	(507)	(3,543)	(23,633)	(26,029)
12,952	(10,932)	45,422	(63,667)	(76,319)
6,625	(24,219)	(17,165)	(779,331)	(794,626)
3,392	20,272	32,476	663,770	701,399
3,392	20,272	32,476	663,770	701,399
10,017	(3,947)	15,311	(115,561)	(93,227)
224	5,954		97,349	94,534
10,241	2,007	15,311	(18,212)	1,307
7,195	(4,278)	108,156	(53,088)	(54,395)
\$ 17,436	\$ (2,271)	\$ 123,467	\$ (71,300)	\$ (53,088)
\$ 409,030	\$ 44,613	\$ 70,576	\$ 3,050,729	\$ 2,941,413
46,971	17,786	20,694	297,016	203,850
(224)	(5,954)		(97,349)	(94,534)
\$ 455,777	\$ 56,445	\$ 91,270	\$ 3,250,396	\$ 3,050,729

**COMMONWEALTH OF MASSACHUSETTS
COMBINING STATEMENT OF CASH FLOWS -
DISCRETELY PRESENTED COMPONENT UNITS
FISCAL YEAR ENDED JUNE 30, 1995
(Amounts in thousands)**

	Massachusetts Bay Transportation Authority	Regional Transit Authorities
Cash flows from operating activities:		
Operating income (loss)	\$ (561,767)	\$ (71,696)
Adjustments to reconcile operating loss to net cash provided by (used for) operating activities:		
Depreciation and amortization	181,692	12,640
Other nonoperating revenues	2,097	299
Other nonoperating expenses	(19,322)	(261)
Change in assets and liabilities:		
Due from federal government	900	(769)
Loans		
Other receivables	(1,433)	(533)
Due from cities and towns		
Due from primary government	71,869	1,497
Due from other funds		
Inventory	498	100
Restricted and other assets	41,313	(10,907)
Accounts payable	(14,208)	(2,066)
Accrued payroll	(781)	(411)
Compensated absences		527
Deferred revenue	(6,474)	(100)
Claims and judgments		991
Other accrued liabilities	(19,513)	(37)
Due to cities and towns		
Due to federal government		
Total adjustments	236,638	970
Net cash provided by (used for) operating activities	(325,129)	(70,726)
Cash flows from noncapital financing activities:		
Operating grants	15,216	11,236
Transfers in from primary government	557,437	50,193
Net cash provided by (used for) noncapital financing activities	572,653	61,429
Cash flows from capital and related financing activities:		
Acquisition and construction of capital assets	(508,992)	(13,531)
Proceeds from the issuance of bonds and notes	740,815	59,059
Interest on bonds and notes	(122,268)	(2,593)
Capital contributions	197,977	13,588
Principal payments on bonds and notes	(517,596)	(46,494)
Proceeds from sale of equipment		30
Net cash provided by (used for) capital and related financing activities	(210,064)	10,059
Cash flows from investing activities:		
Purchases of investments	(1,277,770)	
Sales and maturities of investments	1,278,638	132
Interest income	3,534	953
Net cash provided by (used for) investing activities	4,402	1,085
Net increase (decrease) in cash and cash equivalents	41,862	1,847
Cash and cash equivalents at beginning of year	42,164	12,436
Cash and cash equivalents at end of year	\$ 84,026	\$ 14,283

See notes to general purpose financial statements.

Water Pollution Abatement Trust	Massachusetts Convention Center Authority	Economic Development Authorities	Totals	
			1995	1994
\$ (6,327)	\$ (13,287)	\$ (62,587)	\$ (715,664)	\$ (718,307)
229	6,451	1,916	202,928	177,095
818	131	2,332	5,677	4,786
	(507)	(3,543)	(23,633)	(26,029)
49,255		(8,237)	41,149	52,595
(111,057)		(30,071)	(141,128)	(225,277)
(2,141)	(80)	(1,726)	(5,913)	(13,846)
		(46)	(46)	(55)
		(1,426)	71,940	(12,104)
9,851	(3,397)		6,454	
		(36)	562	1,075
188	377	(11,690)	19,281	(15,853)
	(11,373)	5,383	(22,264)	30,270
		58	(1,134)	9,365
		(110)	417	92
	(127)	(2,778)	(9,479)	9,858
			991	3
88,961	3,581	3,668	76,660	14,210
		376	376	(80)
		1,462	1,462	
36,104	(4,944)	(44,468)	224,300	6,105
29,777	(18,231)	(107,055)	(491,364)	(712,202)
2,165		45,686	74,303	59,998
3,392	20,272	32,476	663,770	701,399
5,557	20,272	78,162	738,073	761,397
(9)	(17,190)	(1,663)	(541,385)	(279,249)
29,347		26,001	855,222	1,375,198
(19,614)	(10,772)	(4,738)	(159,985)	(144,854)
46,971	17,786	20,694	297,016	203,850
(15,035)	(17,196)	(2,418)	(598,739)	(1,064,692)
		92	122	1,191
41,660	(27,372)	37,968	(147,749)	91,444
(197,518)	(53,421)	(15,231)	(1,543,940)	(1,478,223)
131,840	74,534	119	1,485,263	1,360,957
29,583	216	5,685	39,971	29,780
(36,095)	21,329	(9,427)	(18,706)	(87,486)
40,899	(4,002)	(352)	80,254	53,153
155,554	12,530	50,024	272,708	219,555
\$ 196,453	\$ 8,528	\$ 49,672	\$ 352,962	\$ 272,708